



AA:04:00826
UFC:5486.00



September 7, 2004

Mr. Steve Zappe, WIPP Project Leader
Hazardous Waste Permits Program
Hazardous Waste Bureau
New Mexico Environment Department
2905 Rodeo Park Drive East, Building 1
Santa Fe, New Mexico 87505-6303

Subject: ACQUISITION OF BNFL'S INTEREST IN THE FORMER WESTINGHOUSE
GOVERNMENT SERVICES BUSINESSES

Dear Mr. Zappe:

Our corporate affiliate, Washington Group International, Inc., recently announced its acquisition of BNFL's interest in the former Westinghouse government services businesses, which includes BNFL's prior interest in Westinghouse Government Environmental Services Company, LLC (WGES), an affiliate of Washington TRU Solutions, LLC (WTS). Washington Group's acquisition of BNFL's interest is subject to concurrence by the DOE, which is expected before the end of this calendar year.

WTS, co-permittee with the DOE under the Hazardous Waste Facility Permit (HWFP) for the Waste Isolation Pilot Plant (WIPP), is owned jointly by WGES and Weston Solutions, Inc. Pursuant to New Mexico Hazardous Waste regulations, notifications to the New Mexico Environment Department (NMED) are required when certain changes occur in the ownership or operational control of a hazardous waste facility, including filing of a Class 1* modification (requiring prior NMED approval) and submitting a revised permit application at least ninety (90) days before the scheduled change. See 20.4.1.900 New Mexico Administrative Code (NMAC), incorporating 40 CFR § 270.40 (b). These regulations also require the permittee to submit a written statement containing the specific date for transfer of permit responsibility between the current and new permittees.

We do not believe Washington Group's acquisition of BNFL's interest necessitates the filing of a permit modification or revised permit application under the New Mexico Hazardous Waste regulations. Co-permittee responsibilities under the WIPP HWFP will not change. WTS' responsibilities under the HWFP will not be transferred to any other entity. WTS will continue as co-permittee and WGES will continue as managing member of WTS. Also, WTS is already the designated co-permittee under the terms and conditions of the WIPP HWFP and no changes to the HWFP would be needed. Nonetheless, since similar information currently exists in Attachment A-6 of the WIPP HWFP and the NMED has not yet clarified circumstances under which a Class 1* permit modification or revised permit application are required in circumstances such as ours, we expect to provide, in subsequent correspondence, a Class 1* permit modification updating Attachment A-6 of the WIPP HWFP, *Chronology of Events Relevant to Changes in Ownership or Operational Control*.



Also, we recognize that WTS' Disclosure Information, filed pursuant to provisions of the New Mexico Hazardous Waste Act (HWA), NMSA 1978, § 74-4-4.7, should be updated to reflect changes within WGES, a "Listed Business Concern" under these reporting guidelines. We expect to submit updated Disclosure Information after DOE concurs with Washington Group's acquisition of BNFL's interest and after related documents, such as the WGES Operating Agreement, that must be filed as part of the Disclosure Information, have been executed. We will also update any other known substantive WTS Disclosure Information at that time.

If you have questions, please contact me at 505-234-7400.

Sincerely,



S. D. Warren
General Manager

cc: J. Bearzi, NMED
R. Paul Detwiler, CBFO
T. Hughes, NMED
J. Kieling, NMED
L. Piper, CBFO
E. Rose, CBFO